

The Alaska Health Care Commission's Approach to Reforming Alaska's Health Care System

Planning Process,
Transformation Strategy,
and Policy Options

01-07-10

2009-2010

5-Year Strategic Planning Process

Develop Vision

Describe
Current State

2011

2012

Build
Foundation

2011

2012

Design
Transformation
Elements

2011

2012

2013

Measure
Progress

2011

2012

2013

Develop Vision

Vision

*Alaska's health care system produces improved **health** status, provides **value** for Alaskan's health care dollar, delivers consumer and provider **satisfaction**, and is **sustainable**.*

Reform Goals

- I. Increased Access
 - II. Controlled Costs
 - III. Improved Quality
 - IV. Prevention-Based
- } VALUE

Values

- Sustainability
- Efficiency
- Effectiveness
- Individual Choice
- Personal Engagement

Describe Current State

- I. Description of System (2009 Report)
- II. Overview of Federal Reform/Impact on AK (2010)
- III. Analysis of Current Conditions (planned for 2011)
 - A. Cost Analysis (total expenditures; services & payers; cost drivers)
 - B. Price Comparison Study
 - C. Health Status Assessment
- IV. Analysis of Current Conditions (potential for 2012?)
 - D. Quality of Care Study (efficiency, appropriateness, effectiveness of care)

Describe Current State

I. Description of System (2009 Report)

- How Health Care in Alaska is Delivered & Funded
- Issues Identified:
 - High, Rising & Unsustainable Cost of Care
 - Inadequate Insurance Coverage
 - Logistical Challenges
 - System Fragmentation & Duplication
 - Workforce Shortages & Maldistribution
 - Health Status, Health Behaviors & Demographics
 - Leadership Challenges
 - Health Information Technology Development
 - Specific Medicare Access Problem

Describe Current State

Variables Contributing to Cost of Health Care

Cost (total expenditures) =

Price (per process) x **Utilization**

Utilization =

Conditions

X **# Episodes of Care** /Condition

X **# of Services** (by type)/Episodes of Care

X **# of Processes** /Service

Describe Current State

- III. Analysis of Current Conditions (planned for 2011)
 - A. Cost Analysis (total expenditures; services & payers; cost drivers)
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2009-2010

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Health Care Transformation Strategy

Build the Foundation

- *Statewide Leadership*
- *Workforce*
- *Health Info Technology*

Design Elements to Enhance the Consumer's Role in Health

Through

- *Innovations in Patient-Centered Care*
- *Support for Healthy Lifestyles*

Consumer's Role in Health

Innovative Patient-Centered Care and Healthy Lifestyles

ACCESS

Statewide Leadership

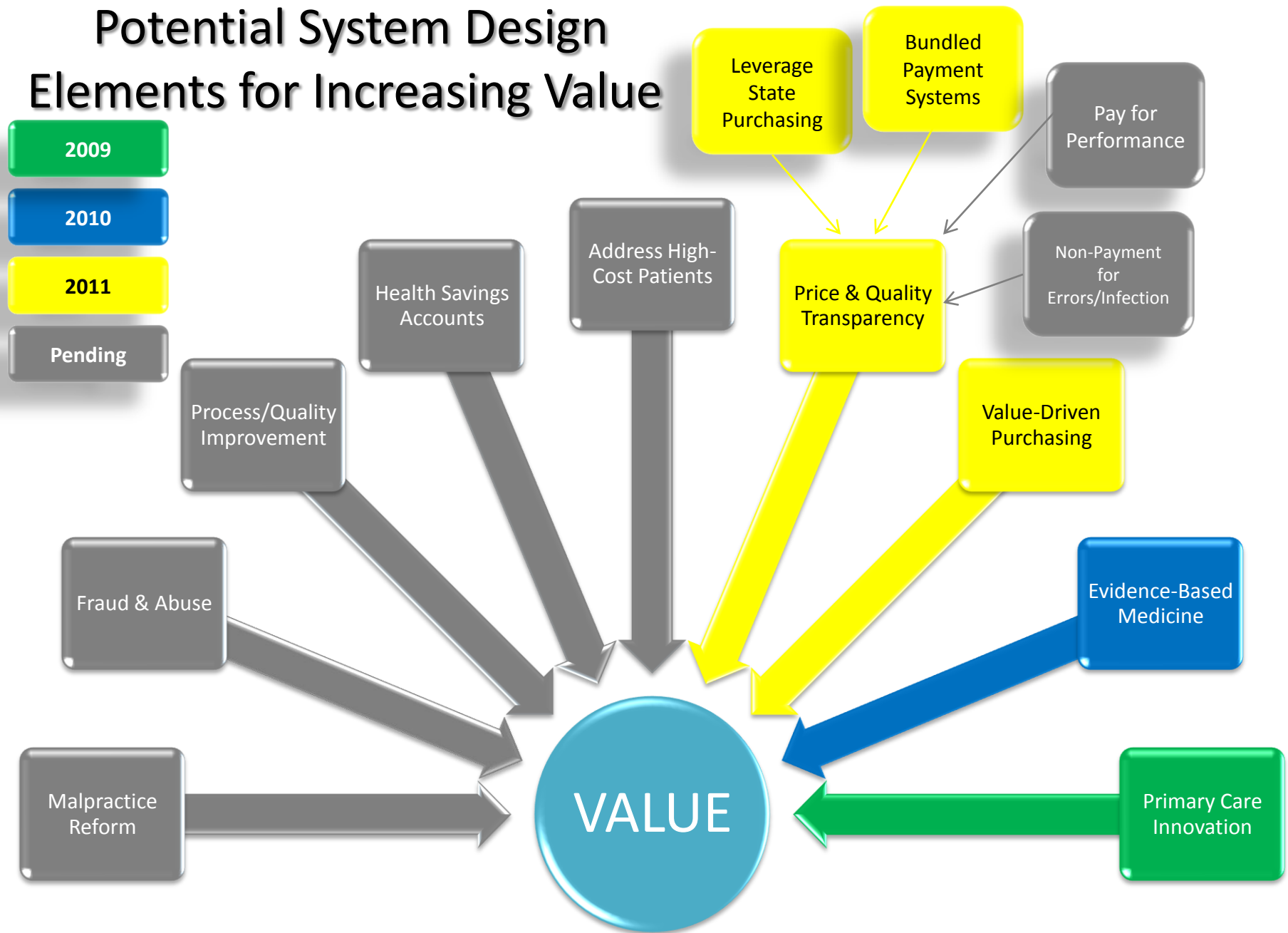
VALUE

Workforce

Health Information Technology

PREVENTION-BASED

Potential System Design Elements for Increasing Value



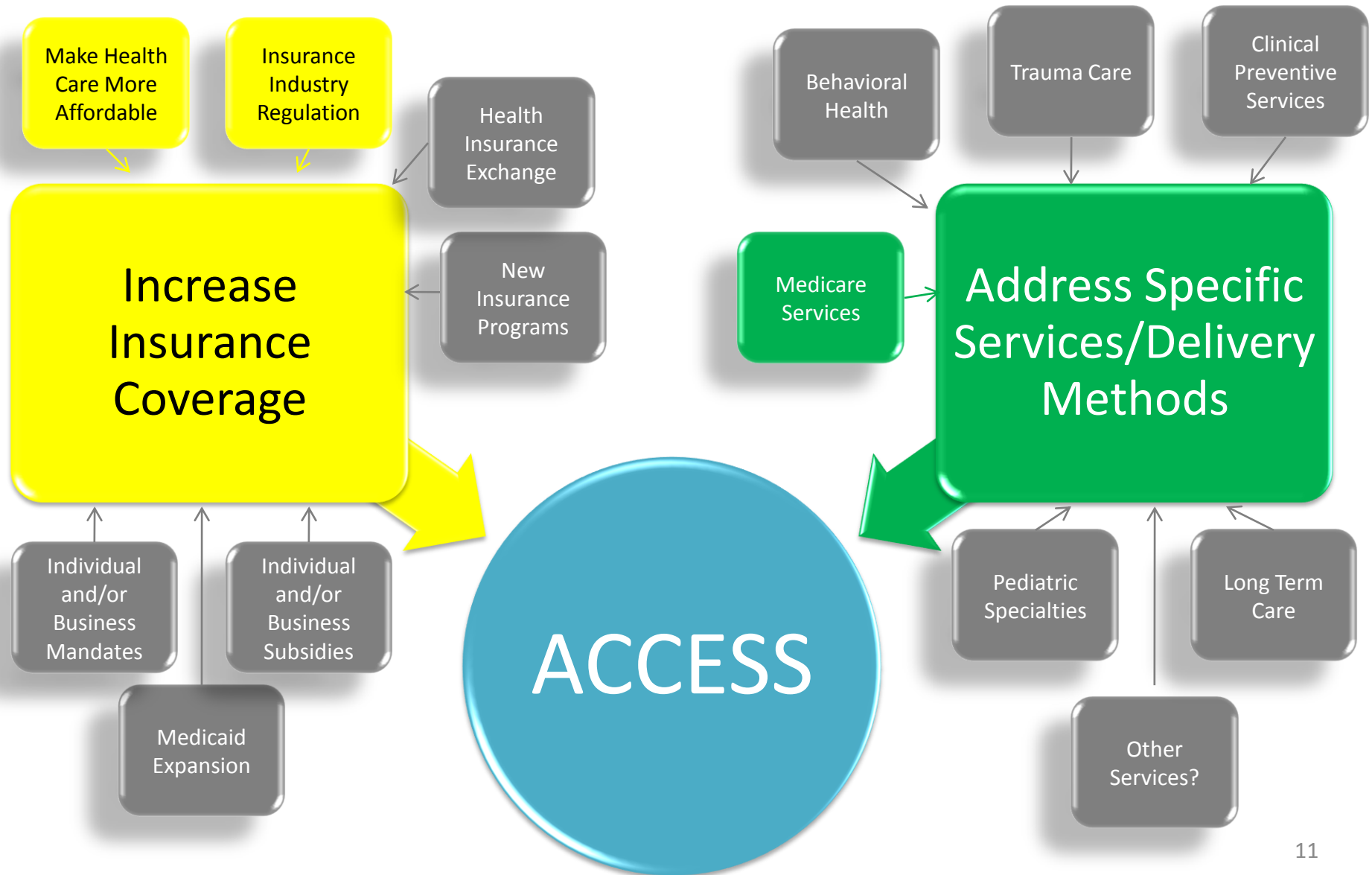
Potential System Design Elements for Improving Access

2009

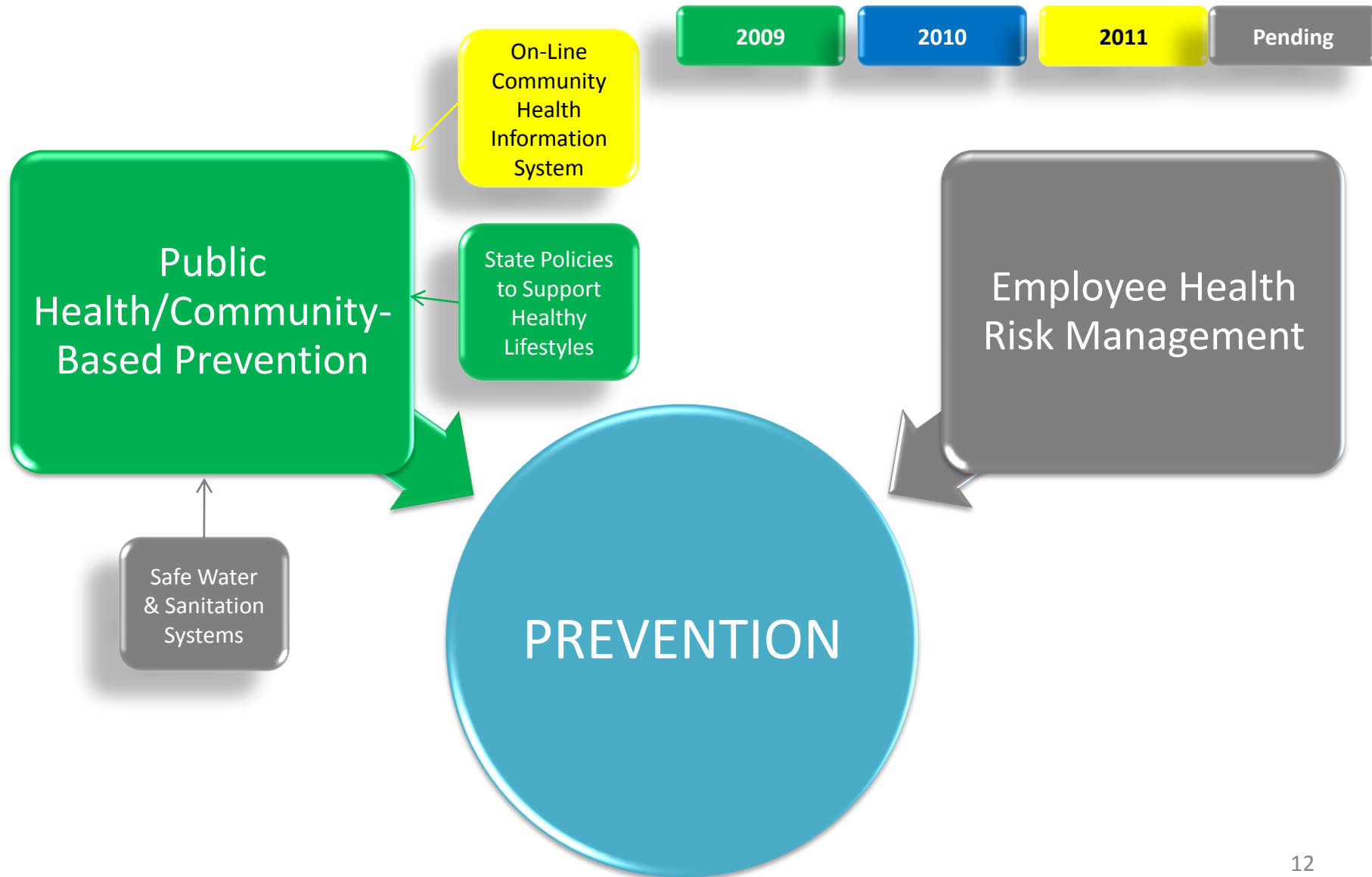
2010

2011

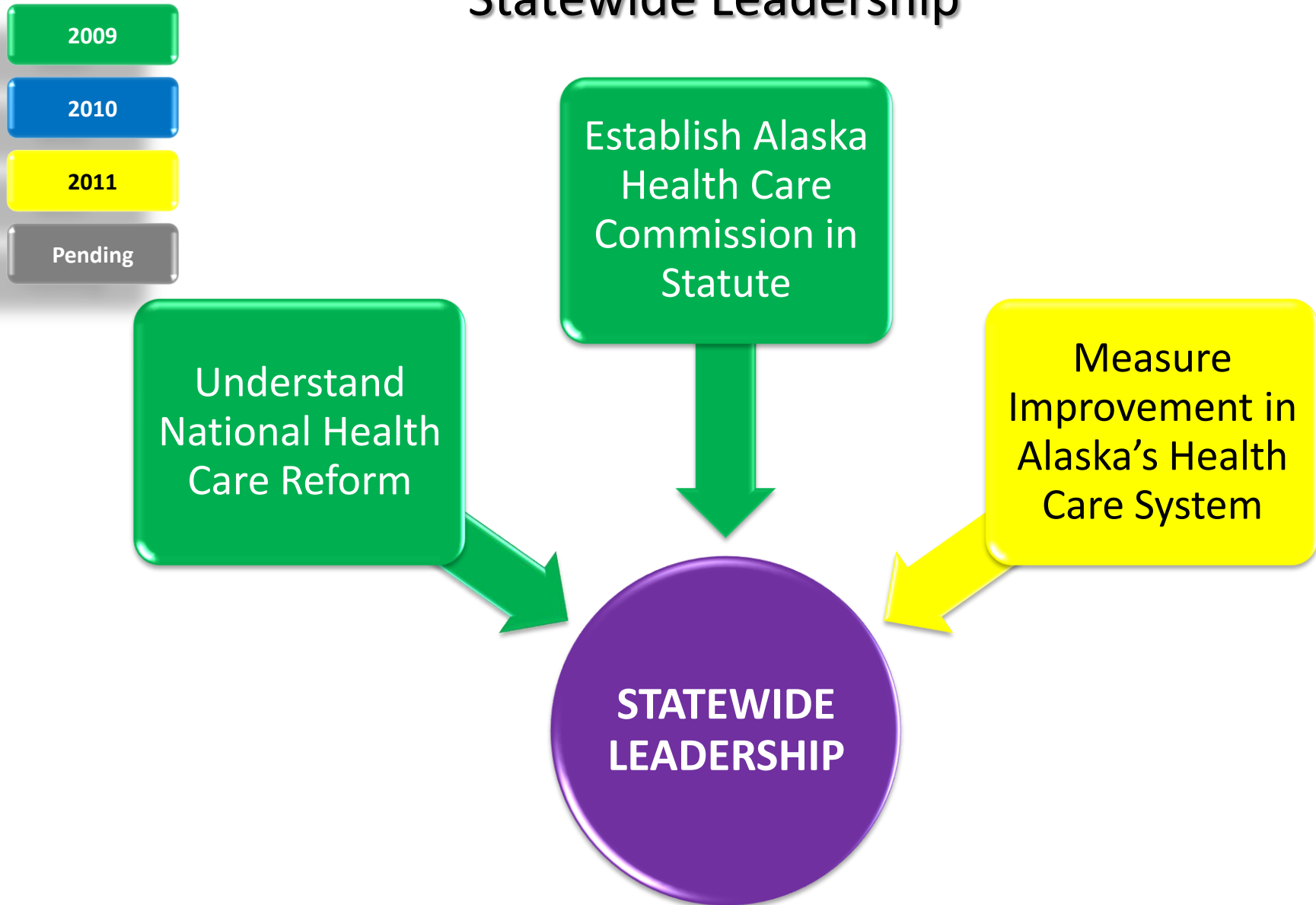
Pending



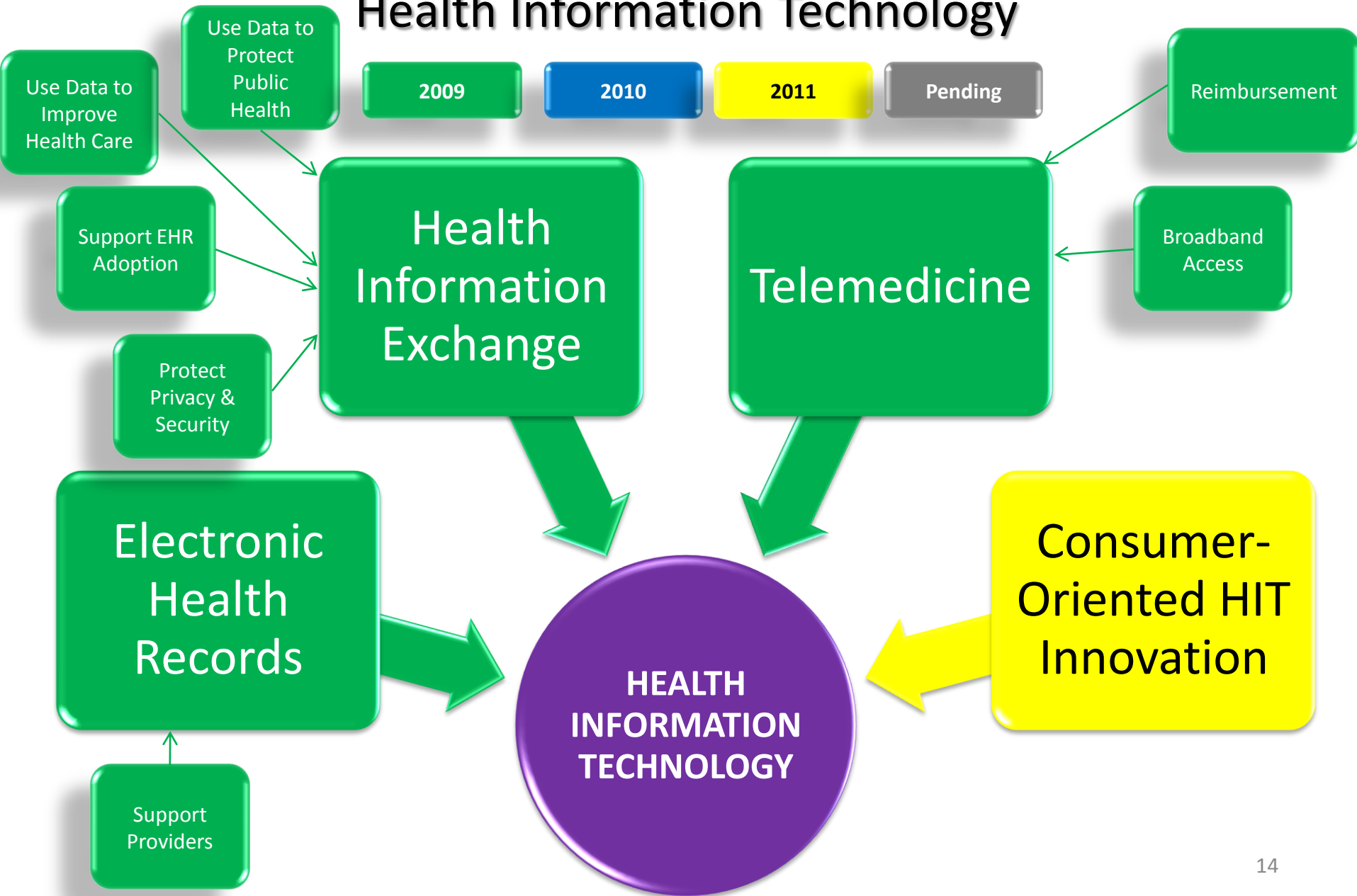
Potential System Design Elements for Enhanced Prevention



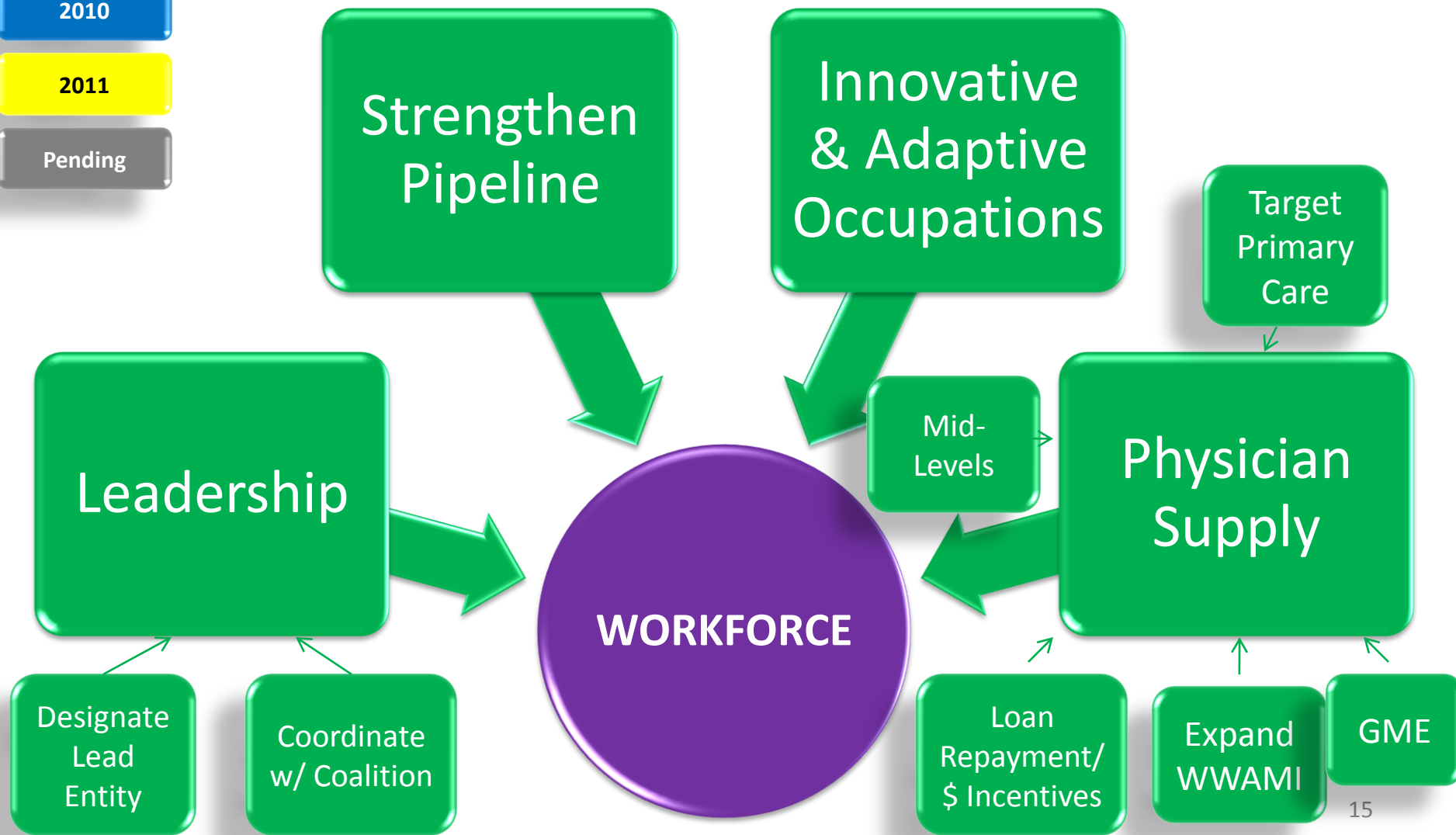
Potential Strategies for Building the Foundation: Statewide Leadership



Potential Strategies for Building the Foundation: Health Information Technology



Potential Strategies for Building the Foundation: Health Workforce Development



Measure Progress

- ✓ Track Implementation of Recommendations
- ✓ Measure Improvement in Health Care System Over Time

Potential Health Care System Improvement Measures

I. Increase Access

- Percent of Alaskans Uninsured
- Percent of Alaskans who have a specific source of on-going care
- *Measure of insurance affordability?*
- *Indicator of workforce supply?*

II. Control Costs

- Annual growth rate in total health system expenditures in Alaska
- Annual growth rate in Alaska's Medicaid expenditures
- Impact on Alaska's state budget: Annual change in spending and revenue; net savings
- *Measure of provider revenue based on value rather than volume*

III. Safe, High-Quality Care

- Percent of population receiving key preventive services
- Percent of Alaskans with chronic conditions controlled
- Percent reduction in gap between benchmark and actual levels of quality
- Percent reduction in gap between benchmark and actual levels of safety

IV. Focus on Prevention

- Percent of Alaskan homes with safe water and wastewater systems
- Percent of Alaskans reporting health risks
 - Percent of Alaskans who smoke cigarettes
 - Percent of Alaskans who are obese or overweight
 - Percent of Alaskans who are binge drinkers
- Percent of Alaskans with moderate to severe depression
- Death rate among Alaskans due to injury (intention and unintentional)